



EIGHT YEARS FOR LANCASTER COUNTY PEDIATRICIAN FOLLOWING A JOINT INVESTIGATION/PROSECUTION



Dr. Parida was a Pediatrician specializing in Neonatal-Perinatal Medicine and the Medical Director of The Download Center, a business he operated from his home.


The Insurance Fraud Section and the Medicaid Fraud Control Section of the Pennsylvania Office of Attorney General, the U.S. Department of Health and Human Services Office of Inspector General, the South Carolina Office of Attorney General, the U.S. Department of Defense Criminal Investigative Service, the United States Postal Inspector, the United States Attorney's Office and the Cumberland County District Attorney's Office conducted a joint investigation that revealed Parida was paid \$8,076,405.16 in medical claims for services he did not render. In particular, from June 18, 2003 through March 16, 2009, Parida submitted millions of dollars of claims using the procedure code for a polysomnography, Procedure Code 95810. A polysomnography is a procedure that is performed in a clinical setting, with continuous monitoring of the patient. He did not perform this service. Instead, he was merely interpreting data submitted to him by durable medical equipment companies from the comfort of his home office. Furthermore, Parida was also submitting "ghost bills" for Procedure Code 95810 for dates and times that he provided no service at all; he billed merely to increase his reimbursement from the insurance companies. Although he initially claimed his "billers" made a coding error, the investigation uncovered significant evidence to prove that he personally handled his billing.

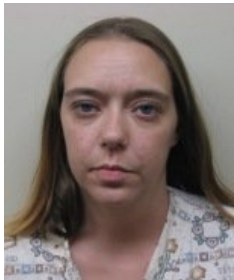

Additionally, Dr. Parida collected twenty-six weeks of unemployment compensation totaling \$13,000 after he was terminated from his position at the Reading Hospital and Medical Center. Dr. Parida failed to disclose his home-based business, The Download Center, to the Pennsylvania Department of Labor and Industry.

Pursuant to the Plea Agreement among Parida, Parida's wife, the United States Attorney's Office, the South Carolina Office of Attorney General, and the Pennsylvania Office of Attorney General, Parida plead guilty on January 14, 2010, to a three-count federal information and on June 15, 2010, he was sentenced to a term of imprisonment of 96 months followed by a term of supervised release of three years, forfeiture of \$5,783,000, and payment of restitution in the amount of \$7,116,423.19 to the insurance companies defrauded by Parida. The \$7,116,423.19 figure is the restitution amount still owed, as Parida had already reimbursed some of the insurance companies in the amount of \$959,981.97.

ARRESTS

Insurance Fraud

- On June 23, 2010, Tina Mendicino was arrested in Allegheny County. According to the Criminal Complaint, Mendicino was injured at work in April of 2006 and began collecting workers' compensation benefits. Also, at the same time she began collecting benefits, Mendicino formed an interior design company. The Complaint further stated that Mendicino provided LIBC-760 forms to the Donegal Insurance Company denying self-employment. While self-employed, Mendicino allegedly failed to report income that she received between April 2006 and January 2007, which exceeded more than \$98,000. The Complaint stated that had Donegal known of Mendicino's self-employment income, they would have terminated her benefits. Mendicino received \$20,775.07 in workers' compensation benefits during the time period that she denied self-employment. Tina Mendicino has been charged with two counts of Workers' Compensation Fraud (F3) and one count of Theft by Deception (F3).
- On June 28, 2010, Tisha Fromal and Eric Fromal were arrested in Chester County. According to the Criminal Complaint, Eric Fromal filed a homeowner's claim with the Travelers Insurance Company reporting that three diamond rings belonging to his wife, Tisha Fromal, were missing. One of the rings was Tisha's engagement ring. The Complaint further stated that both Tisha and Eric advised Travelers that the engagement ring contained a 1.2 carat diamond and was valued at \$8,000. However, according to the Complaint, the Fromals removed the diamond from the engagement ring years ago, sold it and replaced the diamond with a cubic zirconium stone. Tisha and Eric Fromal have been charged with two counts of Insurance Fraud (F3) and one count of Criminal Attempt/Theft by Deception (F3).

- On June 25, 2010, Kenneth and Mandy Gonse were arrested in Dauphin County. According to the Criminal Complaint, on May 1, 2009, at 7:43 p.m., the Gonses obtained an insurance policy with the GMAC Insurance Company. The following day, the Gonses reported to their insurance agent that they were in an accident on May 1st, at approximately 8:30 p.m. However, according to the Complaint, the Gonses were involved in an automobile accident on May 1st, at 3:17 p.m., which was prior to their purchasing the automobile insurance policy from GMAC. The Complaint further stated that when applying for their insurance policy with GMAC, both Kenneth and Mandy stated that there was no damage to their vehicle and that they had not been involved in any accidents prior to applying for automobile insurance with GMAC. Kenneth and Mandy Gonse have been charged with three counts of Insurance Fraud (2 F3 & 1 M1) and one count of Criminal Attempt/Theft by Deception (F3).
- On June 29, 2010, Devon Gayle was arrested in Delaware County. According to the Criminal Complaint, in May, and again in September of 2008, Gayle made claims on his auto policy with the State Farm Insurance Company for damage to his car and received payments on the claims. The Complaint further stated that in October, 2008, Gayle reported to State Farm that his car had been stolen. According to the Complaint, Gayle reported to State Farm that he had the repairs made to his car following the May and September payouts. The Complaint stated that based in part on these statements, State Farm paid off Gayle's loan on the car in the amount of \$12,024.40. Gayle's car was recovered in January, 2009. However, the Complaint stated that an examination revealed that Gayle had not had the repairs made to his car. Had State Farm known that the repairs were never made, it would have

reduced its payout on his theft claim by \$4,099.37. Devon Gayle has been charged with one count of Insurance Fraud (F3) and one count of Theft by Deception (F3).

- On June 29, 2010, Diana Austin was arrested in Westmoreland County. According to the Criminal Complaint, Austin, submitted claims to the CUNA Insurance Company for credit disability insurance benefits. In support of the claims, Austin submitted medical documentation, purportedly issued by her doctor that indicated she was receiving treatment and at the time was disabled and unable to operate heavy machinery or do heavy lifting. According to the Complaint, CUNA extended her benefits based upon the claim forms submitted. However, the Complaint stated that the medical documents were prepared by Austin and submitted to CUNA without the knowledge or authorization of her doctor. Diana Austin has been charged with one count of Insurance Fraud (F3) and one count of Forgery (M1).



- On June 25, 2010, Daniel Aversa was arrested in Montgomery County. According to the Criminal Complaint, Aversa allowed his automobile insurance policy with the Progressive Insurance Company to lapse on his 1993 Pontiac. A week later, his parents were driving the vehicle without insurance when it was involved in an accident. The Complaint stated that several minutes after the accident, Aversa called Progressive and reinstated his policy. Furthermore, the Complaint stated that during the call to Progressive, Aversa denied that the vehicle had been in any type of accident during the period of time the policy lapsed. A short time later, Aversa submitted a claim to Progressive and allegedly denied that he had any knowledge of the accident until after he renewed his policy. The Complaint, however, further stated that Aversa admitted that he was aware of the accident at the time he called to renew his policy. Daniel Aversa has been charged with one count of Insurance Fraud (F3) and one

count of Criminal Attempt/Theft by Deception (F3).

- On June 21, 2010, Kevin Rhoades-Thomas was arrested in Bucks County. According to the Criminal Complaint, Rhoades-Thomas was driving his vehicle when he struck a pedestrian. Rhoades-Thomas stated to police that his vehicle was insured by the 21st Century Insurance Company and presented an insurance card containing the vehicle information and the names. The Complaint stated that Rhoades-Thomas submitted a claim to 21st Century; however, during its investigation, 21st Century discovered that no policy existed under the name of Rhoades-Thomas and the vehicle. The Complaint stated that the policy number and the insurance card were invalid. Rhoades-Thomas allegedly lied to 21st Century after the accident regarding the insurance for the vehicle. The Complaint further stated that Rhoades-Thomas bought a fake insurance card from an unknown individual prior to the accident which he presented to the police. Kevin Rhoades-Thomas has been charged with two counts of Insurance Fraud (F3).

- On June 3, 2010, Allan and John Brauer were arrested in Bucks County. According to the Criminal Complaint, Allan, an unlicensed individual, solicited his brother, John, to obtain automobile insurance for him on a 1992 Grand Am. Furthermore, the Complaint stated that Allan solicited John to misrepresent on the insurance application that John was living at the insured's address and would be the primary driver of the vehicle



instead of Allan. According to the Complaint, some months later, Allan was involved in an accident while driving and left the scene. According to the Complaint, Allan told the Infinity Insurance Company that his friend was driving the vehicle. Allan Brauer has

been charged with two counts of Insurance Fraud (F3 & M1) and one count of Criminal Conspiracy (M1). John Brauer has been charged with one count of Criminal Conspiracy (M1) and one count of Insurance Fraud (M1).

- On June 30, 2010, Emmett Brunberg was arrested in Cambria County. According to the Criminal Complaint, Brunberg reported to Progressive Insurance that he left his vehicle on the side of a road one evening when he became stuck in the snow. His coverage was set to expire on the following day. Coincidentally, Brunberg also told the insurer that he was broke at the time. The Complaint states that Brunberg obtained a ride home from two teenage boys and during the ride, Brunberg told the boys that he wished an "accident" would happen to his vehicle so he could file an insurance claim. According to the Complaint, video from a nearby Sheetz Store showed the teenagers pumping \$4 worth of gasoline into a gas can a short while later. The Complaint further stated that the following morning, the car was found destroyed by fire and that a forensic examination revealed that an accelerant such as gasoline was used to facilitate the car fire. Emmett Brunberg has been charged with two counts of Insurance Fraud (F3) and one count of Criminal Attempt/Theft by Deception (F3).
- On June 29, 2010, Philip Bushee was arrested in Beaver County. According to the Criminal Complaint, when Bushee applied for a \$1.5 million life insurance policy from the Prudential Insurance Company, he concealed his extensive drug history and arrest record. Additionally, the Complaint stated that Bushee caused \$1,306.72 of heroin-withdrawal prescriptions to be submitted to Highmark under his prescription policy. The Complaint further stated that Bushee then diverted the drugs to a friend who did not have insurance. Philip Bushee has been charged with two counts of Insurance Fraud (F3 & M1) and one count of Theft by Deception (M1).
- On June 30, 2010, Richard Dobson was arrested in Perry County. According to the Criminal Complaint, Dobson filed a claim with the Nationwide Insurance Company

stating that on October 2, 2008, he struck a deer while driving his vehicle, damaging his right front passenger door area, right front quarter panel, mirror and right fender. Furthermore, the Complaint stated that Dobson filed another claim with Nationwide stating that on December 29, 2008, he struck another deer damaged the same area of his vehicle as the first deer strike. According to the Complaint, Dobson misrepresented to Nationwide that he had the damage from the first deer strike repaired. Richard Dobson has been charged with one count of Insurance Fraud (F3) and one count of Criminal Attempt/Theft by Deception (M1).

- On June 15, 2010, Juan Coreas was arrested in Dauphin County. According to the Criminal Complaint, Coreas obtained a Pennsylvania driver's license and registered his vehicle in Pennsylvania. He also allegedly provided the Pennsylvania address to an insurance company when he obtained his automobile insurance on his vehicle. The Complaint further stated that Coreas did not reside in Pennsylvania. Juan Coreas has been charged with two counts of Insurance Fraud (F3 & M1) and one count of False Application for Certificate of Title/Registration (M1).



- Raymond Lester pled guilty to one count of Theft by Deception (M1) and one count of Forgery (M1) in Dauphin County. Lester filed a fraudulent insurance claim for dental benefits with Delta Dental wherein he used another individual's dental benefits to obtain a root canal. On June 21, 2010, Raymond Lester was sentenced to serve 8 months and 6 days (time-served) to 3 years incarceration and ordered to pay a fine of \$500, joint and several restitution of \$1,518 and all court costs.
- Russell Isley pled guilty to one count of Criminal Attempt/Theft by Deception (M1) in Philadelphia County. Isley was involved in an



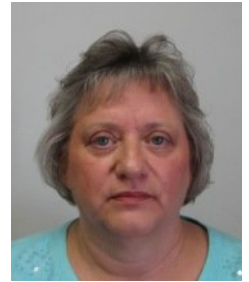
automobile accident and subsequently filed a lost wage claim with the Geico Insurance Company for \$2,800 in lost wages. To substantiate his wage loss, Isley submitted a letter to Geico, on what purported to be his employer's letterhead, indicating that he made \$40 per hour and missed a week of work as a result of the accident. However, the employer's records indicated that Isley did not miss any work after the accident and that he earned only \$27.33 per hour. Our investigation revealed that the letter Isley submitted was forged. On June 25, 2010, Russell Isley was sentenced to serve 51 days (times served) to 23 months incarceration and ordered to pay a fine of \$2,500 and all court costs.

- Prince Nkrumah was found guilty of two counts of Insurance Fraud (F3) and Criminal Attempt/Theft by Deception (F3) in York County. Nkrumah filed a first party auto insurance claim with the Geico Insurance Company for injuries and related loss of work he sustained as a result of an accident on November 17, 2006, while driving an Audi registered to Douglas Danguah. On June 27, 2007, Nkrumah signed an affidavit of no insurance wherein he stated he did not have automobile insurance at the time of the accident in order to collect first party benefits from Geico. Prior to signing this affidavit, Nkrumah informed Geico that he was married. Geico responded that he would have to file a claim with his wife's insurance company. Nkrumah then informed Geico that he was not married. Nkrumah attempted to collect \$25,000 in first party benefits from Geico. Our investigation revealed that Nkrumah had an automobile insurance policy with the Progressive Insurance Company. Under Nkrumah's policy with Progressive, Nkrumah had first party benefits that were effective on July 20, 2006. Additionally, on April 22, 2008, Nkrumah filed a claim with the Allstate Insurance Company stating that his Land Cruiser was stolen on April 21st, and that this vehicle was in excellent condition. However, our investigation revealed that the vehicle was



found prior to the reported theft and had prior damage. On June 23, 2010, Prince Nkrumah was sentenced to serve 4 years probation with the first 11 months to be served as intermediate punishment with the first six months of which to be served on house arrest and ordered to pay a fine of \$5,000 and all court costs.

- Sandra Bulischeck pled guilty to one count of Insurance Fraud (F3) in Washington County. From July 2007 through January 2009, Bulischeck received long term disability benefits from the Standard Insurance Company as a result of a torn rotator cuff that required surgery. Bulischeck was an employee at the Community College of Allegheny County. Our investigation revealed that Bulischeck returned to full time employment at her previous occupation at the Community College of Allegheny County on March 31, 2008, and did not notify Standard. Bulischeck received disability benefits of \$15,190.50 to which she was not entitled. On June 24, 2010, Sandra Bulischeck was sentenced to serve 4 years probation, ordered to perform 50 hours of community service and pay restitution of \$15,190.50 and all court costs.
- Diane Stanesic pled guilty to one count of Theft by Deception (F3) in Allegheny County. Stanesic submitted several fraudulent cancer claims for her husband and herself under a cancer policy she had with the AFLAC Insurance Company on various dates between July 2007 and April 2008. Stanesic and her husband were never diagnosed or treated by a physician for cancer. The cancer claims were not questioned because Stanesic knew the appropriate terminology and was able to falsify the documentation to make it appear to be legitimate. Stanesic admitted she had a gambling problem and submitted the claims to fund her gambling debts and that her husband had no knowledge of the cancer claims to AFLAC. On June 30, 2010, Diane Stanesic was sentenced to serve 5 years probation and ordered to pay restitution of



\$35,999.44 and all court costs.

- Linda Gerstberger pled guilty to one count of Insurance Fraud (F3) in Allegheny County. Gerstberger submitted four separate claims to the Combined Insurance Company of America, seeking medical and disability benefits on various dates beginning March 6, 2008. In each claim, Gerstberger alleged that she was accidentally injured. On the first claim, Gerstberger was paid benefits of \$6,060 and on the second claim she was paid benefits of \$63. Gerstberger then sought total benefits of \$4,484 on two additional claims; however, such benefits were not paid. With the exception of the fourth claim, Gerstberger submitted documentation purportedly issued by her doctor verifying the treatment, the nature of her injury, and how the injury occurred. Our investigation revealed that neither her doctor nor his staff completed the documentation. On June 3, 2010, Linda Gerstberger was sentenced to serve 4 years probation and ordered to pay restitution of \$6,023 and all court costs.
- Paul Barone pled guilty to one count of Insurance Fraud (F3) in Lancaster County. Barone added comprehensive coverage on his automobile insurance policy with the Progressive Insurance Company for his 1996 Cadillac Deville on June 11, 2008. On June 17th, Barone filed a claim with Progressive stating that on June 12th, as a result of a storm, a tree limb fell on his car causing damage to the windshield, right fender, and trunk lid. However, our investigation revealed that the storm and damage to Barone's car occurred on June 10th, prior to Barone adding comprehensive coverage to his insurance policy. On June 1, 2010, Paul Barone was sentenced to serve 2 years probation and ordered to perform 75 hours of community service, pay a fine of \$500 and all court costs.
- Marvin Wright pled guilty to one count of Theft by Deception (M1) in Westmoreland County. Wright filed a motor vehicle accident claim on his 2005 Jeep with the Erie Insurance Company. Wright reported that he was the operator of the vehicle at the time of the accident. Our investigation revealed that Wright's son was the actual operator of

the vehicle and was an excluded driver under Wright's policy. On June 4, 2010, Marvin Wright was sentenced to serve 1 year probation and ordered to pay restitution of \$13,658.58 and all court costs.

- Anthony Profaizer pled guilty to one count of Insurance Fraud (F3) in Cambria County. Profaizer sustained injuries to his jaw after being struck by a wood pellet and the Erie Insurance Company approved for Profaizer to hire a driver to take him to Baltimore, Maryland for his medical appointments and treatment. Profaizer submitted bills which indicated that he was making day trips from his residence in Johnstown, Pennsylvania to Baltimore, Maryland for his treatment and was paying the driver \$160 a day. Our investigation revealed that between March 2005 and March 2006, Profaizer stayed in the Baltimore area on numerous occasions and billed Erie for mileage as if he made a day trip. In addition, Profaizer was paying his driver \$45 a day, but was billing Erie Insurance \$160 a day in driver's fees. Profaizer overbilled Erie \$14,600.25 in mileage fees and \$16,825.00 in driver's fees during this period. On June 28, 2010, Anthony Profaizer was sentenced to serve 6 months probation and pay all court costs. The restitution was settled in a civil suit by Erie Insurance.
- Laurell Sobers pled guilty to one count of Insurance Fraud (M1) in Dauphin County. Sobers provided false information to obtain a Pennsylvania driver's license, vehicle registration and automobile insurance on her vehicle. Our investigation revealed that Sobers did not reside in Pennsylvania and provided false information regarding her address to obtain lower rates on her automobile insurance. On June 16, 2010, Laurell Sobers was sentenced to serve 1 year probation and to pay all court costs.

(ARD) DISPOSITIONS

During June, three additional defendants received Accelerated Rehabilitative Disposition (ARD).